

Herald Tribune

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Back the Black Miners

In a sense, much that has been happening in South Africa has been merely preliminary. The strike of black miners against the country's gold and coal producers is the main event. Black unions like the mine workers, acting lawfully, offer the best remaining hope for a peaceful transition to democracy.

foreign exchange earnings. Even a brief disruption of production could rock the already ailing South African economy. More worrisome to the government is the growing power of black unions. When they were legalized 10 years ago, it was thought that they would be escape valves for black discontent.

Free Speech vs. Secrecy

Ken Dodd, executive editor of The Guardian, has described his own country, Britain, as "the least free and least democratic of any Western European country today."

scraps from and descriptions of the contents. Last month, Britain's highest court of appeals upheld the government in proceedings against British papers and extended the ban to prohibit the publication of reports on evidence and arguments presented during the court hearings in Australia.

Exploitation of the Sea

When a team of scientists in 1985 found the wreck of the Titanic 13,000 feet (4,000 meters) under water, the most moving of the many slides they brought back were the ones of dinner plates and wine bottles scattered on the ocean floor.

Recherche pour l'Exploitation de la Mer. Back in the first euphoric days after the initial discovery, the French group accused the Americans of releasing their share of the dramatic expedition pictures too early, thus lowering the value of the ones allotted to France.

Other Comment

The Balkans of the 1980s
Much of the world is wondering what exactly the Reagan administration — or the Kremlin or the Iranian government, for that matter — is up to in a region that is to the 1980s what the Balkans were to Europe in the summer of 1914.

Try the Security Council
It is now urgent that the United Nations Security Council meet as soon as possible to pull together a tougher policy on the Gulf in the light of all that has happened since its cease-fire resolution. Iraq, whose actions have been every bit as damaging as Iran's, chose a moment of extreme tension (Monday), while Kuwaiti-American tankers were stalled by a mine, to attack Iranian oil installations across a wide front.

Reagan: A President Adrift and Incurious

By James David Barber

DURHAM, North Carolina — Is Ingrate Watergate revisited? As in Watergate, a little accidental revelation popped open a fantastic political can of worms, a pile of twisted deceptions, a tangle of operations running outside the constitutional fence.

count of both secretaries, that was hard to answer. On occasion, each came away from such a meeting sending that he had succeeded in laying this wacky adventure to rest — only to discover, later on and indirectly, that the president seemed to be "leaning" in the other direction.



By CONRAD in the Los Angeles Times.

Instead they appeared to confirm Mr. Shultz's view that "nothing ever gets settled in this town" — not even in the Oval Office. To the public and to the world, President Reagan came on loud and clear, sounding and looking decisive, as when he declared "Operation Staunch" as a national policy of no deals with terrorists.

Several times Mr. Reagan confirmed that he had "no knowledge" of the sale of the arms for hostages or, later, of the diversion of funds to the Contras, as if his ignorance should serve as an excuse. As Representative Lee Hamilton pointed out, "The

president did not know what his own staff was doing" — and it was making major strategic moves. As Mr. Reagan said, regarding the president's secret authorizations, "A presidential finding is not lightly made." But the president could not recall making the first one, and did not think to mention to his top officers, three times in a row, that he had signed such a finding either the day before or that same day.

Except when the story leaked, The White House leapt into action to manage the president's public relations — from the start its primary concern. Confused as his briefing was, Mr. Reagan once again came on as the strong leader. In fact, the president was presiding over a dizzy chain of command, in which the official at each level avoided responsible supervision of the next one down.

The writer, professor of political science at Duke University and author of books on the presidency, contributed this comment to The New York Times.

Saudi Arabia: This Time the Iranian Plot Misfired

By Mazher A. Hameed

This is the second of two articles.

WASHINGTON — The Saudi internal security apparatus has become far more efficient and professional. As a result there is less evidence today of the Saudi security forces than there was a few years ago.

that has affected the average Saudi. The sense of cohesion among well-to-do Saudis is also better than it was eight years ago, when tension between the Shiite minority, and regional tension between the Najdis, the powerful Bedouin tribal families of the Riyadh area, and the Hijazis, the merchant families of the Red Sea coast.

noises coming from Iran. It is difficult to gauge the influence that such a concerted propaganda campaign might have, particularly given the enormous power of the two countries' cooperation in the Gulf. One must wonder whether this Arab echo of the ayatollah would encourage Iranian sympathizers in Saudi Arabia and other Gulf states to act in support of the Iranian revolution.

The Iranian assault on the traditions and institutions of the Gulf area — and in the entire Middle East — is still potent. Pressure against Kuwait is producing growing schisms within Kuwaiti society. Unlike Iraq, a large country in which the government exerts substantial control over the population, Kuwait is small and vulnerable.

No One Lost and Democracy Won

By David S. Broder

MARION, Iowa — Six months from now, in the chill of early February, when Iowans express their presidential preferences in precinct caucuses, the candidates will face the first brutal accounting of winners and losers. A few will walk away taller and stronger; most will come out weakened and wounded, their hopes marked for early extinction.

The names and faces were just becoming familiar to them; the messages were not hackneyed to their ears. They listened with an intensity that each of the speakers recognized. "This is a very special state, a special place, and you are very special people," Michael Dukakis of Massachusetts said in a tone that seemed more descriptive than flattering.

woman holding the string of a Dukakis balloon, talking with the young congressman, with whom she had made many campaign appearances last year as they both pursued their ambitions. If there was any tension in the encounter, it did not show. When Paul Simon of Illinois was taking his turn, it began to drizzle. He hurried through his talk, making way for Jesse Jackson — who had just started when the rain hardened. "We will return as soon as we get a break from on high," he said.

Break Out And Avoid The Mines

By Stanfield Turner

WASHINGTON — Dispatching minesweepers to the Gulf region is not the answer to preventing attacks on international shipping, such as occurred this week when a supertanker hit a mine just outside the Strait of Hormuz. The problem is a lack of political capability or naval minesweeping capability or naval minesweeping guidance from the White House. Most of the threat to Gulf shipping would disappear — without the need to resort to military force.

Why is the United States respecting the Iranian restrictions? Richard I. Armitage, assistant secretary of defense for international security affairs, has said that President Reagan approved in advance the Bridgeton's remaining within the two-mile zone. Not only is this not an answer, it contrasts starkly with the president's willingness twice to provoke Moammar Gadhafi of Libya over his claims to exclusive control of the Gulf of Sidra. In both instances, the United States engaged Libyan forces in combat. Why will it not provoke Iran?

IN OUR PAGES, 75 AND 50 YEARS AGO

1912: Quake in Turkey
CONSTANTINOPLE — As more precise news comes to hand of the earthquake which ravaged European Turkey along a line stretching from the Dardanelles to the Town of Adrianople, the extent of the catastrophe is shown to be considerably greater than was at first thought.

1937: Zionists Vote
ZURICH — Amid cheers and protests, the Twentieth Zionist World Congress voted a resolution (on Aug. 11) by 300 against 158, with 27 abstentions, empowering Dr. Chaim Weizmann and his executive committee to "explore the ground" concerning the practical possibilities for the establishment of a Jewish state in Palestine. The vote is expected to influence the attitudes of millions of Jews. After the vote Dr. Weizmann left for Geneva to consult with members of the Mandates Commission of the League of Nations, which has to give a preliminary opinion at the September session of the League Council concerning the future of Palestine.



ARTS / LEISURE

A Burdened 'Wandering Jew' And a Superb 'Porgy and Bess'

By Sheridan Morley
International Herald Tribune
LONDON — "Porgy and Bess," one of a brace of five-hour epics on stage this week...

he saw as a clerical Mafia out to deny the descendants of the Jew their rightful inheritance.

But before we can get to the reading of the will on which this whole top-heavy farrago depends, we are introduced to 50 characters...

THE BRITISH STAGE

couldn't solve. It might even have worked on its present scale had it been conceived in the spirit of "Nicholas Nickleby" or "Les Misérables"...

The first problem is the text itself. "The Wandering Jew" turns out not to be the old melodrama with which Matheson Lang used to barnstorm the countryside...

Sixteen other actors led by Stan Thomas, Mark Rylands and Paola Dionisotti do their best to double and redouble all the other inhabitants of this fragmented and shambling saga...

edium to inconsequence by way of random coincidence. By the time the inheritance finally goes up in smoke, a truly numbing sense of boredom has long since overtaken what little academic or dramatic interest there was in seeing Sue brought back not so much to life as to a living stage death.

Of all Trevor Nunn's musical productions — and there are four still playing in London from "Cats" and "Chess" through "Les Misérables" to the appalling "Starlight Express" — arguably the most impressive and historic is the one that too few people have yet managed to see.

"Porgy and Bess" is back at Glyndebourne for a second summer in repertoire, which means in fact a total of only eight performances between now and the end of the month...

But this is a production that has to be seen on a theater stage, even one as cramped as Glyndebourne's; and if it does not go on to achieve a London and Broadway life, we shall, I believe, have lost one of the great dramatic and musical highlights of the decade.

at the RSC could manage to hijack this for their Barbican repertoire for the winter, they could within a season go a considerable way toward solving their perennial financial crisis. I can't think of a production in recent times that triumphs on quite so many theatrical levels with comparable confidence and energy and invention.

This is also the first-ever British staging of the complete "Porgy and Bess." Under the brisk conducting of Richard Bradshaw it comes in a unique celebration of his one-shot operatic genius. For those of us who knew it mainly from old recordings and the blandly truncated movie and a somewhat dead grand-operatic staging by a Texan company at Lincoln Center a decade or so ago, what Nunn is offering is a total rethink.

But they are always working within an ensemble. Greg Baker as the charismatic, murderous Crown; Damon Evans as an unusually subdued, thoughtful Sportin' Life; and Marietta Simpson as the earth-mother Maria play with tremendous dramatic as well as vocal strength.



Philip Voss and Stan Thomas in "The Wandering Jew."

community in which all have identifiable lives and characters.

As with "The Wandering Jew," it takes about a day of your life to see this five-hour "Porgy," but what you will then be left with is the memory of something still more powerful than a soaring opera of love and loss containing about a dozen of the most throat-catching and haunting songs that Gershwin ever wrote.

Back in London, "The Colored Muse" which comes to the Royal Court from Joe Papp's Public Theater in New York, is a revue that manages to parody almost everything "Porgy" once set out to celebrate — there is even a note to the effect that Gershwin could only have written "Summertime" because he, too, came from an oppressed race.

There is a greatness here which simply cannot be written off after a couple of brief summer seasons buried deep in the Sussex countryside.

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good director or script editor might have done with some of these looser ideas. But I still like the airline stewardess telling her passengers to fasten their seatbelts and stop all that drumming ("Just think what you are going to mean to William Faulkner") and then a sinister number in which a middle-class, reconstructed urban black tries to throw off his old radical past only to have it come back from the trashcan and strangle him.

The "Colored Muse" has a lot more to say about American racial attitudes than many more polished scripts, and Joe Papp's company of five take us on its guided tour with some savagely good turns.

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A Woman's Touch Lightens Males-Only Friars Club

By Leslie Bennetts
New York Times Service

NEW YORK — Decades of cigar smoking had darkened the ceilings. The furniture was cracked and frayed, and the lighting was so dim that some rooms looked more like caves.

And so the Friars Club, a venerable meeting place for men that has endured as the haunt of many well-known show-business figures, decided to redecorate.

Although it is still very much a men's club, with strict rules barring women from the premises until 4

P.M., the Friars chose a woman for the job.

Nevertheless, old habits die hard. When Elaine Lewis showed up early one day for her first meeting, her male assistants in tow, she was politely told to stay out of the building. "They asked me to go across the street to the coffee shop," recalled Lewis. "We had to sit and wait until I could be allowed in the club. The men here are wonderful and lovely to work with, but I feel like I'm back in the 18th century."

Such inconveniences notwithstanding, the Friars Club has just completed the first phase of a three-year redecoration project, the first in many years to disturb entrenched habits, not to mention entrenched grime, in its five-story English Renaissance home at 57 East 55th Street.

Lewis, an architectural space planner and interior designer, specializes in model rooms for real-estate developers. "The Friars' building, she said, was "very old and tired. It's a beautiful town house, and they wanted to keep the beauty of the building but give it more of a new flavor. I offered what I consider to be a really new look for the club, with a limited budget."

The cost of the first phase of restoration was restricted to \$90,000, and most of the changes Lewis has made to date are cosmetic, with an emphasis on cleaning,

repainting and installing better lighting.

In the first-floor bar, the William B. Williams Room, where the red ceiling had been darkened by years of smoke and dirt, Lewis had the ceiling painted and replaced in a hand-painted trompe l'oeil pattern of cream, ochre and light gray to match the rest of the bar in the entrance.

In the dining room, she lifted the center of the ceiling to make a recess that she painted in gold leaf. On the second floor, in the "For E. Lewis Bar," Lewis eliminated the stained-glass emblems, installed limestone lighting sconces, added ivory shades and window draperies in a vivid pattern of red, blue and beige, and put up a series of century theatrical posters above the mantel.

The only room to be thoroughly redecorated so far is the Frank Sinatra Room on the third floor. The original hand-carved linen-fold oak paneling on the walls was retouched, and recessed neon lighting was put in around the moldings. The new furniture is black leather and there is a new crystal chandelier.

The Friars Club was originally an outgrowth of the Press Agents' Association, organized in 1904 to identify and eliminate the "free pass" frauds who, posing as press agents, contrived to obtain complimentary admission to theaters. Two years later, the membership

was broadened to admit press agents from around the country, and soon after the group began to stage the dinners honoring well-known men that have made it famous.

The Friars Club has 1,350 members, including the entertainers Alan King, Henry Youngman, Milton Berle, Buddy Hackett, Bob Hope, Red Buttons, Dean Cain, Burt Reynolds and Johnny Carson. Frank Sinatra is chairman of the board.

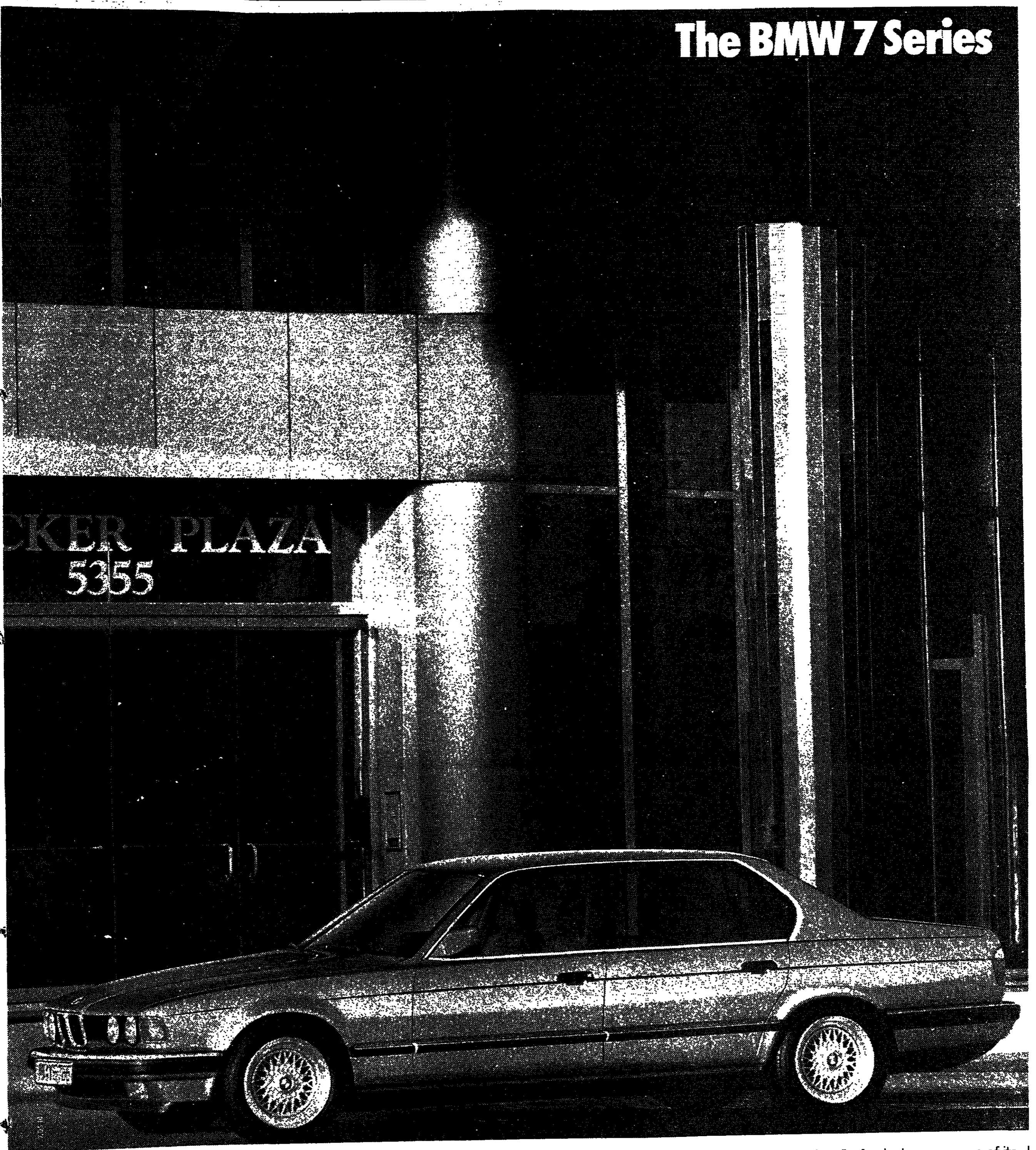
Even if they are in the entertainment business, women may not join the Friars Club. They are barred from the first and second floors after 4 P.M. The reason for such rules have become murky. "I don't really know why, to tell you the truth," Trebot said. "It's just one of those traditions people keep."

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The BMW 7 Series



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NYSE Most Actives table with columns: Vol, Hpb, Low, Last, Chg.

Market Sales table with columns: NYSE 4 p.m. volume, NYSE 3 p.m. volume, etc.

NYSE Index table with columns: High, Low, Close, Chg.

Tuesday's NYSE Closing logo with 'Via The Associated Press' text.

AMEX Diary table with columns: Class, Prev.

NASDAQ Index table with columns: Class, Prev.

AMEX Most Actives table with columns: High, Low, Close, Chg.

Dow Jones Bond Averages table with columns: Class, Chg.

NYSE Diary table with columns: Class, Prev.

Odd-Lot Trading in N.Y. table with columns: Buy, Sales, Prev.

Dow Jones Averages table with columns: Open, High, Low, Last, Chg.

Standard & Poor's Index table with columns: High, Low, Close, Chg.

NASDAQ Diary table with columns: Class, Prev.

AMEX Stock Index table with columns: High, Low, Close, Chg.

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Dow Rises 44 on High Volume

NEW YORK — The New York Stock Exchange recorded its second-highest volume ever Tuesday as the Dow Jones industrial average added more than 40 points for the second consecutive day.

Eugene Peroni Jr., chief technical analyst at Janney Montgomery Scott Inc. in Philadelphia, said, "Each time the market appears overextended, it goes through some internal corrections."

Main stock market table with columns: 12 Month High Low Stock, Div. Yld. PE, etc.

Continuation of the main stock market table.

Table C: Odd-lot trading data with columns: Stock, Buy, Sales, Prev.

Table D: Additional stock market data with columns: Stock, Div. Yld. PE, etc.

Table E: Additional stock market data with columns: Stock, Div. Yld. PE, etc.

Table F: Additional stock market data with columns: Stock, Div. Yld. PE, etc.

Table G: Additional stock market data with columns: Stock, Div. Yld. PE, etc.

Table H: Additional stock market data with columns: Stock, Div. Yld. PE, etc.

Table I: Additional stock market data with columns: Stock, Div. Yld. PE, etc.

Table J: Additional stock market data with columns: Stock, Div. Yld. PE, etc.

Table K: Additional stock market data with columns: Stock, Div. Yld. PE, etc.

Table L: Additional stock market data with columns: Stock, Div. Yld. PE, etc.

Table M: Additional stock market data with columns: Stock, Div. Yld. PE, etc.

MADISON AVENUE

New Condé Nast Magazine Takes Hard Look at Travel

By GERALDINE FABRIKANT

New York Times Service

NEW YORK — Condé Nast will make its first foray into the travel magazine business on Sept. 1...

Mr. Evans, a former editor of The Times of London and the Sunday Times, said "Traveler will be a combination of hard journalism and literary journalism..."

Mr. Evans said the magazine's reporters would not accept the free airline trips or hotel accommodations that other publications often permit their contributors to take.

"We are not committed to any airlines, hotels or credit cards," he said. "If we don't like a place, we can simply say so."

The magazine's publisher, Ron Galotti, said a test issue "got the highest response to any offering in the company's history."

He said the company expected to sell about 100,000 copies on the newsstand and is aiming for about 750,000 subscriptions.

The first issue carries 206 pages, of which 75 are ads from a wide variety of advertisers, including Tiffany, Ralph Lauren and BMW.

A test issue 'got the highest response to any offering in the company's history.'

IBM Says It Has New Transistor

Experimental, 10 Times Faster

Compiled by Our Staff From Dispatches

NEW YORK — International Business Machines Corp. announced Tuesday that it had developed experimental transistors it said are world's smallest and the most powerful of their type.

The transistors can send information for computing functions 10 times faster than transistors currently on the market...

IBM said the "field-effect" transistor could someday make it possible to forecast weather or recognize human speech on machines...

"The transistors have the highest 'transconductance' of any field-effect transistor ever measured, according to Matt Wordeman, a manager at IBM's laboratories in Yorktown Heights, New York."

Transconductance is a basic measure of a transistor's power; its ability to send a clear, strong electronic signal. In effect, transistors are tiny on-off switches that form the basis of computers and other electronic gear.

Computers run faster with smaller transistors because electrical signals take less time getting from one place to another.

IBM said experimental techniques used to make and test the devices included advanced lithography for writing ultra-thin lines and cooling the devices during operation.

At room temperature the voltage necessary to make the rapid switch damages the silicon technology.



Moshe Nissim has helped cut rampant inflation that in 1983 prompted such a rush to hoard goods that markets were nearly empty.



No Miracles for Israel's Economy

Austerity Cuts Inflation to 20%, but Growth Is Elusive

By Thomas L. Friedman New York Times Service

JERUSALEM — Is it a miracle befitting the Holy Land? Some crazy Old Testament economics? Or nothing but blue smoke and mirrors, an illusion that will soon be exposed?

Those are some of the questions being asked here about Israel's remarkable economic recovery, which since July 1985 has reduced the country's annual inflation rate to 20 percent.

Foreign currency reserves have more than doubled, the shekel has been relatively stable against the dollar and the state budget — \$23.3 billion for the financial year 1986-87 — has been brought almost into balance.

Even though Israel's finance minister is named Moshe Nissim — in English, Moshe Miracles — there is nothing miraculous about Israel's economic recovery.

The greatest danger now to the program is its early success.

But it would be premature to declare the Israeli economy healthy. Far from it, it has suffered from twoills, inflation and stagnant growth for 14 years.

The stability we are enjoying should not be an end in itself. It has to be a means to growth.

— Dan Gillerman, Chamber of Commerce

will undertake the additional spending cuts and austerity measures needed to keep inflation under control and bring about the growth that would wean the nation from its dependence on \$3 billion a year in American aid.

In Israel, the psychic costs of trying to keep up with inflation had become so great that by the time the Labor-Likud national unity government took over in September 1984, there was a feeling that the country was falling apart.

Lesson No. 1: The average worker seems to crave economic stability more than any other commodity, including higher wages.

Lesson No. 2: The average worker seems to crave economic stability more than any other commodity, including higher wages.

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Lesson No. 4: The average worker seems to crave economic stability more than any other commodity, including higher wages.

U.K. Trade Gap Shrinks, Calms British Markets

By Warren Cutler International Herald Tribune

LONDON — Britain's widest measure of trade improved to a provisional £168 million (£263 million) deficit in June from a revised £527 million deficit in May.

The figures helped calm jittery investors in the financial markets, which feared that the British economy was overheating on demand for imports and that inflation would rise.

June's deficit in the current account, which includes merchandise trade as well as services such as shipping and banking and certain financial transfers, was in line with market forecasts of a £100 million to £200 million deficit, and convinced analysts that the massive deficit in May was an aberration.

Today's trade figures are in line with a trend, rather than last month's very bad numbers, said Geoffrey Dennis, an economist with James Capel & Co., a London brokerage.

The May deficit was originally reported at £561 million. Britain's overall deficit in merchandise trade also narrowed sharply in June, to £768 million, from £1,127 million in May.

Overall exports in June totaled \$6,373 billion, seasonally adjusted, up half a percent from May. Imports were valued at a seasonally adjusted £7,140 billion, down 4.5 percent from May.

However, several economists voiced concern that June's trade figures showed little sign of abatement in the rapid growth in imports of consumer goods.

The markets had already recovered ground Monday on better-than-expected figures for July's wholesale prices.

After the trade figures, the Financial Times-Stock Exchange index of 100 leading shares closed 33.20 points higher.

The markets on Thursday and Friday had interpreted the Bank of England's move as a sign of impending bad trade and inflation data to be released this week.

Yesterday's producer price figures were very good, and today's trade numbers were O.K., said Mr. Dennis of James Capel.

"We've got three more hurdles to go — inflation and earnings data later this week and money-supply growth thereafter."

U.S. Revises Trade Deficit for '86 Downward

WASHINGTON — The Commerce Department said Tuesday that the 1986 merchandise trade deficit had been revised to \$166.3 billion as part of a reconciliation of Canadian and U.S. trade data.

Robert Ortner, under-secretary of commerce for economic affairs, said annual trade balances from 1970 through 1986 were being adjusted because U.S. exports to Canada had been undercounted.

In addition, trade deficit figures for the first five months of 1987 are being revised and will be announced Friday, when the merchandise trade figures for June are released.

In June, the department said that a joint Canadian-U.S. team's study had shown that instead of a \$22.9 billion deficit in trade with Canada in 1986, the United States had a \$13.3 billion deficit.

The main reason was that U.S. truckers had failed to file documents when they left the United States, it said.

People

Gary Watson has been appointed senior vice president and creative director at Poppe Tyson of Union, New Jersey.

Charles Abrams is joining Campbell-Mithun, Chicago, as senior vice president and media director.

Currency Rates

Table with columns for City, Currency, and Rate. Includes Amsterdam, Brussels, London, Milan, New York, Zurich, etc.

Table with columns for Currency per U.S.\$, Currency per U.S.\$, and Currency per U.S.\$.

Closings in London and Zurich. Italics in other European centers. New York rates of 4 P.M. (a) Commercial franc (b) Amounts needed to buy one pound (c) Amounts needed to buy one dollar.

Interest Rates

Table with columns for Eurocurrency Deposits, 1 month, 3 months, 6 months, 1 year.

Sources: Thomson Guaranty (Dollar, DM, SF, Pound, FF); Lewis Bank (ECU); Reuters (SDR). Rates applicable to interbank deposits of \$1 million minimum (or equivalent).

Table with columns for Key Money Rates, 1 month, 3 months, 6 months, 1 year.

Sources: Reuters, Bank of Tokyo, Commercial Bank, Credit Lyonnais.

Table with columns for U.S. Money Market Funds, Merrill Lynch Ready Assets, 30-day average yield.

Table with columns for Gold, A.M., P.M., CNY's.

Source: Reuters. Luxembourg, Paris and London official listings; Hong Kong and Zurich opening and closing prices; New York spot market close. All prices in U.S. \$ per ounce.

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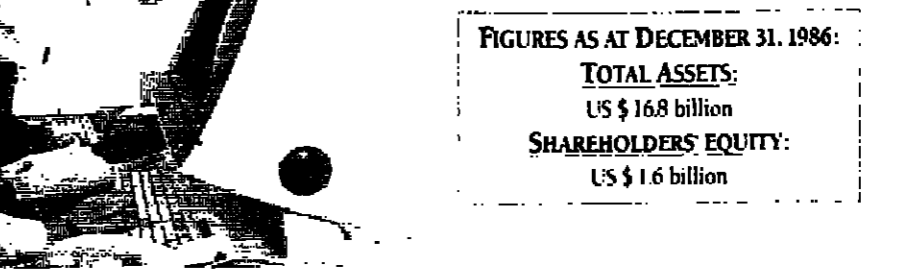
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Table with columns for FIGURES AS AT DECEMBER 31, 1986: TOTAL ASSETS, US \$168 billion, SHAREHOLDERS' EQUITY, US \$16 billion



BUSINESS ROUNDUP

New Apple Products Said to Give It Lead

NEW YORK — Apple Computer Inc. introduced on Tuesday new products for its Macintosh personal computer that analysts said could move the company several years ahead of its competition.

counter trading Tuesday, after rising \$1.75 Monday to set a 12-month high.

Lloyds to Buy Stake in U.S. Fund Adviser

NEW YORK — Weiss, Peck & Greer, a privately held New York investment partnership, said Tuesday that it had signed an agreement for Lloyds Bank PLC to acquire a 24.9 percent limited partnership interest.

Analysis said the main advantage of the MultiFinder operating system is its ability to let the machine handle several jobs at one time.

IBM and vendors of IBM-compatible personal computers will be able to offer this capability, known as multitasking, using the OS/2 operating system developed by Microsoft Corp.

Also introduced Tuesday were the ImageWriter II, a high-quality printer at \$1,399, and the Apple IIc, a new model of the popular desktop computer.

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Automotive workers weld a car chassis on the Honda assembly line in Marysville, Ohio.

Honda Considers 2d U.S. Plant

DETROIT — Honda Corp., which has developed the largest American manufacturing base of any Japanese automaker, says it will decide by the end of the year whether to build a second U.S. assembly plant to produce its luxury Acura line, now imported from Japan.

and Civic models this year. Automotive News reported that a new plant could produce about 350,000 cars a year.

ASEA, Brown Boveri Shares Soar After News of Merger

STOCKHOLM — Shares in ASEA AB and BBC Brown Boveri & Co. soared Tuesday in very active trading in Stockholm and Zurich as investors welcomed news of the companies' planned merger into the world's largest electrical engineering group.

Brown Boveri jumped to 3,100 Swiss francs (\$1,940) at the start of trading from 2,750 francs on Friday, but settled back to close at 3,045, up 295 francs for the day.

Chrysler Reportedly Considers Fiat Minicar for Its Lineup

DETROIT — Chrysler Corp. may add a Fiat minicar to its lineup as its answer to Ford and General Motors' Japanese and Korean minicars, according to an industry journal.

expanded to 300,000. Automotive News said.

Airbus's Orders Rose for Half, Boeing's Fell

PARIS — Airbus Industrie received firm orders for 93 aircraft during the first half, up 48 percent from 63 planes in the comparable 1986 period, while Boeing Co. reported a drop in half-year sales.

were "higher than expected, and this tendency should continue the rest of the year."

comparable 1986 period, as sales slipped to \$7.24 billion from \$7.55 billion.

Mellon to Cut Jobs by 10%

PITTSBURGH — Mellon Bank Corp. said Tuesday that it planned to eliminate 1,800 to 2,000 jobs, or 10 percent of the work force, by the end of the year as part of a restructuring program aimed at restoring the struggling bank to profitability.

partment and units would be affected.

Weiss, Peck is involved in investment management, venture capital and middle-management buyouts. It manages about \$5 billion for individual and institutional clients.

Lloyds Merchant Bank's managing director, Nigel Hurst-Brown, said the investment supports Lloyds Bank group's strategy of expanding its activities in investment-related services.

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INTERNATIONAL SECURITIES FUND S.A. Registered office: 14, rue Aadringer - LUXEMBOURG (R.C. Luxembourg B 7-751) NOTICE OF EXTRAORDINARY SHAREHOLDERS' MEETING

The new fortune built by buying into gluts Thirty months ago the dollar was being viewed popularly as a prime investment while gold and platinum were abandoned by the General Public.

AUTOS TAX FREE FOR MORE THAN 12 YEARS EUROPE'S LARGEST SHOWROOM TRANSCO

INTERNATIONAL CLASSIFIED (Continued From Back Page) SHOPPING HOLIDAYS & TRAVEL BOOKS ARTS

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT Washington, D.C. U.S.\$ 300,000,000 9% Notes of 1987, due 1997

Tuesday's AMEX Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Table with columns: 12 Month Div. Yld. PE, High Low, Close, Chg. Includes AMEX Closing table with various stock listings and their prices.

Table with columns: 12 Month Div. Yld. PE, High Low, Close, Chg. Includes various stock market data and price lists.

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INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 11th August 1987

Large table listing International Funds with columns for fund name, ticker, price, and change. Includes sub-sections for International Income Fund, Diversified International, and others.

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As Australian Dollars: \$F; Belgium Francs: C; Canadian Dollars: DM; Deutsche Mark: ECU; Euro: Euro; French Franc: FF; G.L.D.: G.L.D.; Hong Kong Dollars: H.K.D.; Italian Lira: L; Japanese Yen: Y; Luxembourg Franc: F.L.; Netherlands Guilder: G; New Zealand Dollar: NZD; Pounds Sterling: £; Swiss Franc: S.F.

Source: Credit Suisse - First Boston Ltd, London

(Continued on next page)

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CURRENCY MARKETS

Dollar Firmer, but Off Day's Highs

NEW YORK — The dollar closed stronger against most currencies Tuesday, but fear of central bank intervention restrained its gains. Daniel Holland, an assistant vice president at Discount Corp., said the dollar was fueled by continued tensions in the Middle East, and that's about it.

Table with 3 columns: Currency, Rate, Change. Includes Deutsche mark, Swiss franc, French franc, etc.

However, the dollar was lower against the British pound, which closed at \$1.5730, against \$1.5700 on Monday. Earlier in Europe, the dollar also closed mostly higher, as traders said they remained nervous about the situation in the Gulf.

Lebanese Fear Further Inflation As Pound Sags

BEIRUT — Further falls in the value of the Lebanese pound increased apprehension among Lebanese on Tuesday and sent them rushing to stock up on basic necessities before prices go up again. Lebanon's acting prime minister, Salim al-Hoss, on Monday proposed selling 20 percent of the country's gold reserves to bolster the pound.

ISRAEL: Austerity Sliced Inflation, but Economic Growth Remains Elusive

(Continued from first page) and the leading theoretician behind the recovery program. "There was capital flight and even talk about the need for a 'strongman' to take charge." It took a while for politicians to dispense the medicine, said Mr. Bruno, but the public was ready to swallow it in one rather quiet gulp.

Lesson No. 4: Even in a centralized economy, to coordinate all the elements of reform, you need a prime minister with his back to the wall. When Foreign Minister Shimon Peres of the Labor Party took over as prime minister in 1984, his economic advisers handed him a plan almost identical to the one he ultimately implemented. But he was not ready then to risk the political fallout from such harsh measures.

Israel's system 'let key leaders back an austerity plan immediately. Elsewhere, it would have taken nondemocratic means.'

Danny Rosolio, Trade union official

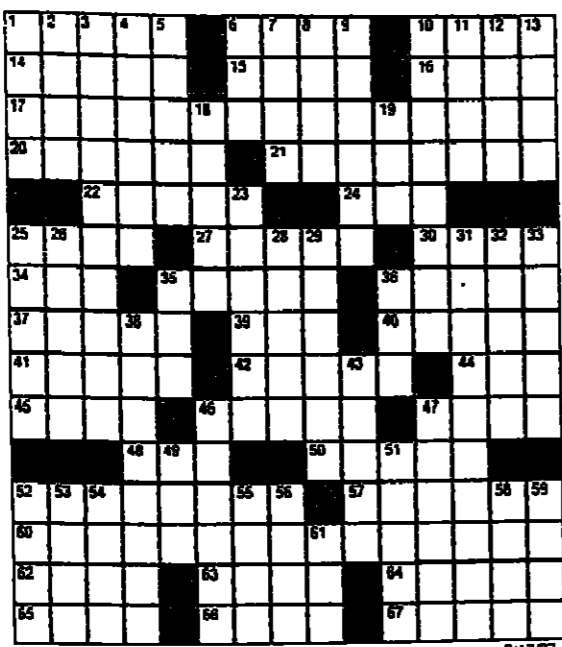
U.S. Bonds Still Attractive to Japanese Despite Slim Rate Gap

TOKYO — The Japanese bond market has been in a lengthy downturn, raising questions about whether Japanese investors will want to participate in further U.S. Treasury auctions. The slump was sparked by renewed fears of inflation as the Bank of Japan moved to tighten credit and interest rates began to climb, analysts here say.

Compared with the U.S. bond markets, most trading in Japan is concentrated in bond futures and the No. 89, said Ron Napier, economist for Salomon Brothers here. With interest rates in Japan higher, the differential between yields on Japanese government bonds and U.S. Treasury securities has narrowed.

The drop began after mid-May, when bond yields approached the official discount rate, a level traders realized was too low, said Peter Morgan, chief economist for Barclays de Zoete Wedd. A resulting "correction" gathered momentum as a sharp increase in the money supply encouraged the Bank of Japan to act to curb speculation in stocks and bonds.

Main financial table with columns for stock prices, dividends, and other financial metrics. Includes sections for OTC Prices, AMEX Closing, and various stock listings.

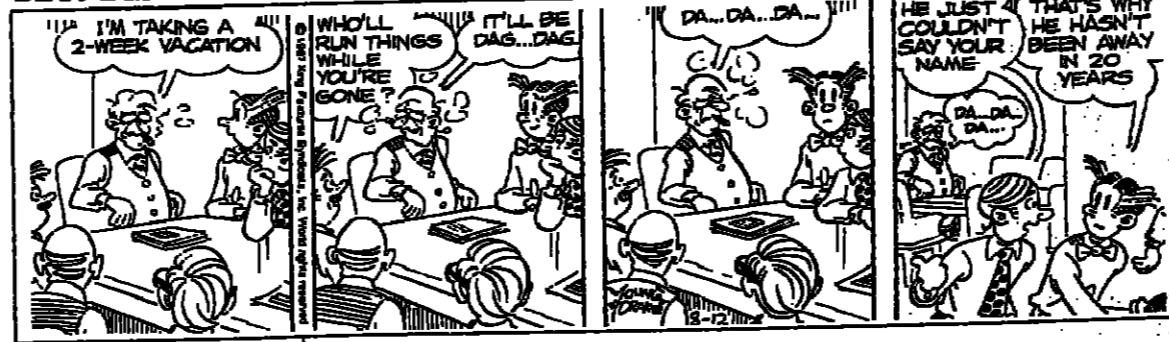


CROSSWORD puzzle clues including: 1 Gem State capital, 6 Two-time Mexican president, 10 When I was...

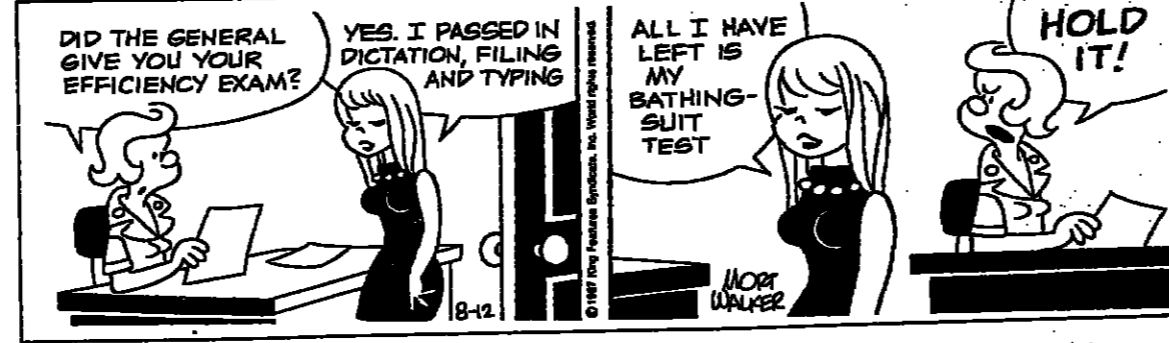
PEANUTS



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BEEBLE BAILEY



ANDY CAPP



WIZARD of ID

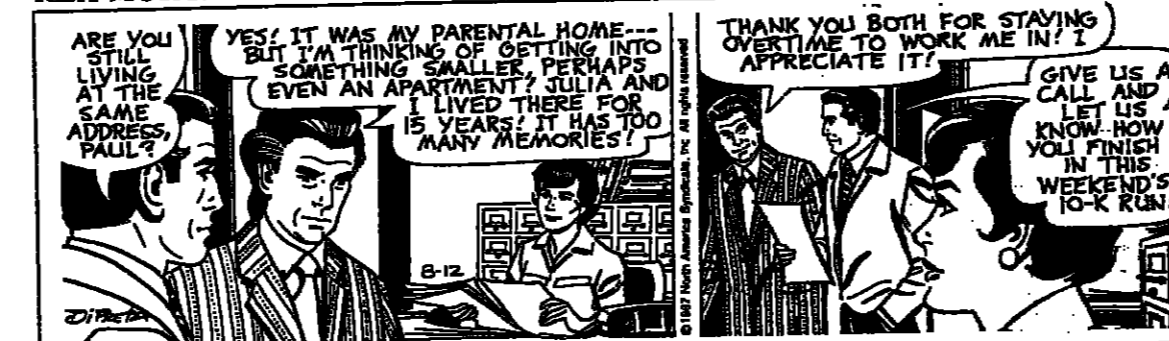


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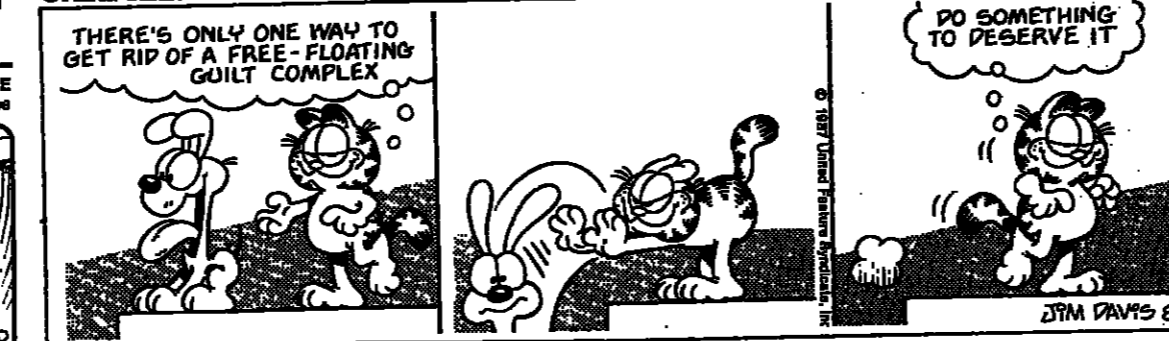


JUMBLE word game section with a cartoon and a grid of letters to be unscrambled.

REX MORGAN



GARFIELD



WEATHER

Weather forecast table for Europe, Asia, Middle East, Oceania, and various US cities.

World Stock Markets

World stock market closing prices for various countries including Amsterdam, London, Frankfurt, Zurich, and Tokyo.

BOOKS

THE RUSSIAN ALBUM by Michael Ignatieff. Illustrated. 191 pages. \$18.95. Elizabeth Sifton-Viking Inc., 40 West 23d Street, New York, N.Y. 10010.

Reviewed by Walter Goodman. We owe Michael Ignatieff the pleasure of his forefathers for keeping diaries and posing for photographs. The main figures in this elegant evocation of a society that was exploded by the Russian Revolution are the author's grandfather and grandmother.

Solution to Previous Puzzle: A grid of letters with words like CLACK, SCAR, DIARE, etc. listed.

BRIDGE

By Alan Truscott. The first Junior Team Championship for players under 26, was played in Amsterdam last month and ended in a victory for the host country. The Dutch juniors had a close battle in the final, winning against France by 8 international match points.

might have been taken by a court photographer at the Winter Palace in August 1917, the anniversary of the Revolution.

Walter Goodman is on the staff of The New York Times.

BEST SELLERS

- List of best-selling books including: PATRIOT GAMES, PRESUMED INNOCENT, THE WINDMILLS OF THE GODS, etc.

TO OUR READERS

Sao Paulo stock market prices were not available Monday due to problems at the source.

Financial data and exchange rates for various currencies and markets.

